February 23, 2024

Dear Executive Director,

Over the past year since publishing the HOTMA Income and Assets final rule, we have received many questions from housing authorities and the industry groups about HOTMA implementation. This has improved our ability to support PHAs with their efforts to comply with HOTMA, but we recognize the continued need for communication.

I want to take this opportunity to share updates on the Housing Information Portal (HIP), which is required for full HOTMA implementation; what actions PHAs can take now without regard to HIP; and how HUD is seeking to help agencies with this transition.

**HIP and HOTMA Compliance:** Compliance with the final HOTMA rule requires access to HIP, the Department's replacement of the IMS/PIC legacy system. IMS/PIC only reflects pre-HOTMA requirements, which means PHAs cannot be in complete compliance until HIP is live later this year. In particular, this means that your agency cannot implement the income and asset requirements in Sections 102 and 104 of HOTMA without having access to the revised HUD-50058 in HIP. For now, PHAs must continue to report HUD-50058 transactions to IMS/PIC until instructed to do otherwise.

**What You Can Do Now:** We encourage PHAs to implement the following specific provisions of HOTMA that do not require HIP, described below. Some are requirements and others are options PHAs can exercise irrespective of HIP:

- PHAs **must not** enroll families into the Earned Income Disregard (EID).
- PHAs **may** now implement the "Safe Harbor" income verification option of the HOTMA final rule.
- PHAs **may** begin using the new HUD-9886-A Authorization for the Release of Information/Privacy Act Notice.
- Verifications streamlining that allows PHAs to: accept third-party documents dated within 120 days of receipt, use an award letter from the appropriate year for benefits that are set annually, and use a self-certification of SSN.

Review the *PIH HOTMA Implementation Frequently Asked Questions (FAQ) for PHAs*, which includes descriptions of these exceptions in detail.

**HUD Support for Implementation:** Given the scope of change required under HOTMA, we encourage you to prepare your new HOTMA-compliant policies, procedures, forms, and communication plans. To that end, PIH has materials to help PHAs to implement HOTMA:

- Consult the revised *PIH Notice 2023-27: Implementation of HOTMA Sections 102 and 104*, which provides guidance on assets and other more minor updates.
- The HOTMA HUD Exchange webpage has many new resources for PHAs and participating families and residents, including Sample Administrative Plan and Admission and Continued Occupancy Policy policies and Resident Fact Sheets.
- View our series of implementation webinars on the HOTMA Resources webpage.
- Complete instructions for the revised HUD-50058 forms are also now available on the HOTMA Resources webpage, as are the revised forms.

As a former Executive Director myself, I understand that these transitions can be difficult, but I can assure you that PIH is committed to supporting agencies to embrace new systems and comply with new requirements. We will continue to provide updates on the development of HIP and the implementation of HOTMA, and we encourage you to continue to engage the Department with your questions.

Thank you for your ongoing efforts to prepare your agency to implement HOTMA.

Richard J. Monocchio
Principal Deputy Assistant Secretary
Office of Public and Indian Housing